



Department of Justice

FOR IMMEDIATE RELEASE
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**JUSTICE DEPARTMENT REQUIRES LOUISIANA ADVERTISING COMPANY TO
DIVEST BILLBOARDS IN FOUR SOUTHEASTERN METRO AREAS
AS CONDITION OF MERGER**

WASHINGTON, D.C. -- The Department of Justice announced today that it allowed Lamar Advertising Co. to proceed with its \$65 million, nine-state acquisition of Hedrick Outdoor Inc. as long as it divests 170 billboards in Mississippi, Louisiana and Florida.

Without the divestiture Lamar would have controlled more than 50 percent of the available billboards in each of the communities involved, and would have had more than 70 percent of the billboards along the most heavily traveled highways in the areas. The divestiture of billboards in Gulfport and Jackson, Mississippi; Lafayette, Louisiana; and Panama City, Florida, will ensure that no single company dominates the key highways or controls the majority of billboards in those metropolitan areas.

The billboards will be bought by the New York City-based XChase LLC, for about \$6 million at the same time Lamar acquires Hedrick.

Joel I. Klein, Acting Assistant Attorney General in charge of the Department's Antitrust Division, said, "Small and local business customers, and many others, benefit from competition among billboard companies, which results in lower prices and better services. With this divestiture, advertisers will continue to have meaningful outdoor advertising choices to preserve competition."

Lamar, headquartered in Baton Rouge, Louisiana, owns and operates outdoor advertising businesses in more than 20 states. It had revenues of more than \$100 million in fiscal year 1995.

Hedrick, headquartered in Laurel, Mississippi, owns and operates billboards in nine states. It had revenues of about \$12 million in 1995.

XChase, an investment company, made its acquisition in conjunction with a veteran outdoor advertising operator, James Eatrides. Eatrides is president of Chesapeake Outdoor Enterprises, a Baltimore, Maryland-based billboard operator.

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